GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:397
ANSWERED ON:23.07.2003
IMPACT OF I.T. ON INDIAN INDUSTRY
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

:-

(a) the impact of I.T. on the Indian industry and Indian economy;

(b) whether the I.T. revolution in the country has any impact on our social and psychological life;

(c) if so, the details thereof;

(d) the details of the challenges before our I.T. sector; and

(e) the steps taken or being taken by the Government to overcome these challenges?

Answer

MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY(SU THIRUNAVUKKARASAR)

(a), (b) and((c): IT Industry has decisively brought forth the immense potential for the Indian economy - in terms of exports, employment creation and the launch of India as an emerging star of the global economy.

IT industry has resulted in increased productivity in various sectors and timeliness of implementation of the projects. The impact of IT will be especially pre-dominant in the social sectors like health, education, judiciary and rural development. I T enabled distance education provides enormous opportunities for development of trained human resource base.

The software and services industry has emerged as one of the fastest growing sectors in the Indian economy. Indian IT software and services industry is estimated to account for about 2.4 per cent of India`s GDP and 20.4 per cent of exports by2002-03 and is projected to account for 7% of India`s GDP and 35% ofexports by 2008. Indian IT software and services industry is estimated to provide employment to 650,000 IT professionals by March, 2003.

(d): Indian companies should focus on moving up the IT value chain, by offering services, such as system integration, package implementation, IT outsourcing and IT consulting, as well as targeting new verticals, such a s utilities, healthcare and retailing, in addition to the traditional financial services, telecom equipment and manufacturing industries.

(e): Steps taken by the Government to promote the Information Technology Sector is given in the Annexure.